GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:434
ANSWERED ON:23.02.2001
EXTERNAL AND DOMESTIC DEBT .
BRIJBHUSHAN SHARAN SINGH;DUKHA BHAGAT;NITISH SENGUPTA;RAMANAND SINGH;S.P. LEPCHA;SADASHIVRAO DADOBA MANDLIK;TRILOCHAN KANUNGO

Will the Minister of FINANCE be pleased to state:

(a) whether the external/domestic debt of the country has increased abnormally;

(b) if so, the reason therefor;

(c) the amount of external/domestic loan obtained during each of the last three years till date, country-wise and institution-wise;

(d) the total amount of external/domestic debt outstanding as on date, country-wise and institution-wise separately;

(e) the comparative figures of the external/domestic debt during the last three years till December 31, 2000;

(f) the amount paid in the term of principal and interest to the external/domestic creditors during each of the last three years; and
(g) the plan of the Government to repay the debt and to avoid burden of more debt?

Answer

Minister of State in the Ministry of Finance (Shri Balasaheb Vikhe Patil)

(a) & (b):No Sir. Total outstanding debt of the Government of India including external debt on Government Account and domestic debt stood at Rs.1,174,363 crore at the end of September 30, 2000 as compared to Rs.1,159,932 crore at the end of March 31, 2000 and Rs. 884,380 crore at the end of March 31, 1998. However, as a proportion of GDP, the debt stock increased marginally from 58.1 per cent as on end-March, 1998 to 59.3 per cent as on end-March, 2000. The Debt-GDP ratio is estimated to decline to 53.9 per centat end-September 2000.

(c):The amount of net receipts (i.e., disbursements less repayments)on account of external and domestic loans obtained by the Government of India amounted to Rs. 88,655crore during 1997-98, Rs.112,363 crore during 1998-99 and Rs. 109,203 crore during 1999-2000. The detailed net receipts on account of external and domestic (market borrowings) loans obtained by the Government of India during the last three years, country-wise and institution-wise are at Annex I.

(d) & (e):The total amount of debt outstanding of the Government of India stood at Rs.1,174,363 croreat the end of September 30, 2000 as compared to Rs.1,159,932 crore at the end March, 2000, Rs.1,012,486crore at end-March, 1999 and Rs. 884,380 crore at end- March, 1998. The detailed amount of outstanding external/domestic debt of the Government of India during the last three years, country-wise and institution-wise are at Annex 2.

(f)The total amount of principal repayments (excluding other liabilities like Small Savings Deposits, Provident Funds, Special Deposits etc.) by the Government of India amounted to Rs.357,267 crore during 1997-98, Rs.357,749 crore during 1998-99 and Rs.328,285 crore during 1999-2000. The total amount of interest payments (including other liabilities like Small Savings Deposits, Provident Funds, Special Deposits etc.)by the Government of India amounted to Rs.65,637 crore during 1997-98, Rs.77,882 crore during 1998-99 and Rs.96,518 crore during 1999-2000. The detailed break up of principal and interest payments on account of external/domestic loans during the last three years are at Annex 3.

(g)The proposed Fiscal Responsibility and Budget ManagementBill, 2000, introduced in the Parliament, aims to reduce the debt burden of the Government of India by bringing down the ratio of debt stock to 50 per cent as a proportion of GDP by March 31, 2011. This would be achieved by reducing fiscal deficit and revenue deficit as a proportion of GDP from April 1, 2001.

Annex 1: Net Receipt (i.e., disbursements less repayments) on Loans Obtained by the Government of India

(Rs. Crore)

Sl. No.	Government Debt	1997-98	1998-99	1999-2000 (R.E.)

I.External Debt on Government Account	809	934	1211
a)Multilateral Institution	1141	1652	1645
1 IBRD	-1451	-1761	-1301
2 IDA	2131	2433	2147
3 IFAD	42	31	23
4 ADB	450	985	800
5 EEC (SAC)	-1	-2	-4
6 OPEC	-30	-34	-19
7 ISO	0	0	0
b)Bilateral Debt	-331	-717	-434
1 Australia	2	-2	-3
2 Denmark	-9	-27	-28
3 Germany	-317	-411	-421
4 France	-16	-182	-141
5 Japan	1217	1348	1575
6 Kuwait Fund	-44	-64	-62
7 Netherlands	-173	-134	-152
8 Saudi Fund	-24	-15	-1
9 Russian Federation	-228	-225	-222
10 Austria	-11	-11	-11
11 Belgium	-24	-27	-25
12 Canada	-53	-55	-59
13 Rep. Of Czech and Slovak	-4	-4	-4
14 Spain	-10	-17	-17
15 Italy	-32	-77	-72
16 Switzerland	-26	-31	-27
17 Sweden	-19	-163	-157
18 U.K.	-69	-54	-17
19 U.S.A.	-490	-565	-591
II.Domestic Debt	87846	111429	107992
a) Market Borrowings	32499	68988	77065
b) 91-day Treasury Bills+	-910	-209	3470
c) Other Liabilities	56257	42650	27457
III.Total Government Debt	88655	112363	109203

+: Note:The figures represent draw down of cash balances.
The figures may not tally exactly due to rounding off errors.

Annex 2: Outstanding Debt of the Government of India

(Rupees Crore)

Sl.No.	Government Debt	31-Mar-98 (RE)	31-Mar-99 (P)	31-Mar-00	30-Sept-00
I.	External Debt on Government Account	161418	177934	186791	191924
a)	Multilateral Institution	104218	114531	120319	124644
1	IBRD	25438	25747	25342	25575
2	IDA	69392	77725	82720	86166
3	IFAD	834	939	1033	1008
4	ADB	8220	9805	10928	11594
5	EEC (SAC)	186	191	188	181

6 OPEC 125 100 83 94
7 ISO 23 24 25 26
b)Bilateral Debt 57200 63403 66472 67280
1 Australia 47 48 47 48
2 Austria 163 166 141 137
3 Belgium 246 241 195 190
4 Canada 1478 1432 1467 1487
5 Rep. Of Czech. &
Slovak 30 26 21 17
6 Denmark 460 473 406 383
7 Germany 11286 11845 10354 9863
8 France 3658 3785 3326 3117
9 Italy 739 722 634 615
10 Japan 25737 31600 37906 39811
11 Kuwait Fund 368 330 274 256
12 Netherlands 2586 2673 2286 2107
13 Saudi Fund 66 56 56 51
14 Sweden 1054 962 860 696
15 Switzerland 136 117 81 72
16 Spain 182 178 166 166
17 U K 68 17 0 0
18 USA 6698 6683 6313 6318
19 Russian Federation 2198 2047 1941 1947

II.Domestic Debt 722962 834552 973141 982439

a)Internal Debt 388998 459696 728627 765010
b)Other Liabilities 333964 374856 244514 217429

III.Total Government

Debt 884380 1012486 1159932 1174363

+: Government Account External debt is estimated at prevailing market exchange rates and not at Book Value.
Note: The figures may not tally exactly due to rounding off errors.

Annex 3: Principal and Interest payments on Government Debt (Rupees Crore)

S.No.Government Debt 1997-98 1998-99 1999-2000
(R.E.) (R.E.) (R.E.)
I.External Debt on
Government Account 10878 12459 13221
a) Principal 6768 8095 8713
b) Interest 4110 4364 4508

II.Domestic Debt 412026 423172 411582

a) Principal: 350499 349654 319572

1. Internal Debt 350499 349654 319572
b) Interest: 61527 73518 92010

1.Internal Debt 31270 39832 72707

2.Other Liabilities 30257 33686 19303

III. Total Government Debt 422904 435631 424803
a) Principal+: 357267 357749 328285

b) Interest	65637	77882	96518

+: Principal payments for total Government debt does not include repayments on other liabilities like Small Savings Deposits, Provident Funds, Special Deposits etc.

Note: The figures may not tally exactly due to rounding off errors.